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UNCLAS SECTION 01 OF 04 SURABAYA 000025

SIPDIS

DEPARTMENT FOR CA/FPP AND CA/VO/KCC
DEPARTMENT FOR DS/EAP AND DS/ICI/CR

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TAGS: [KFRD](#) [CVIS](#) [CPAS](#) [CMGT](#) [ASEC](#) [ID](#)
SUBJECT: FRAUD SUMMARY - (SURABAYA)

REF: A) 09 SURABAYA 009, B) 08 SURABAYA 0113, C) 08 SURABAYA 0103

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11. Please find below the semi-annual fraud report for U.S.
Consulate General Surabaya for the period September 2008 -
February 2009.

1A. Country Conditions

Indonesia is an archipelago of over 17,500 islands spanning three time zones and 3,400 miles along the Equator. Its population of 245 million comprises more than 300 ethnic groups and six official religions. Inter-island economic migration is common (especially to and from Java). Indonesia is a poor country -- nearly half the population earns less than two dollars a day -- but there is a thin layer of extreme wealth. Bribery and corruption are common.

Consular fraud is high, but generally not very sophisticated. Visa brokers and document vendors take advantage of visa seekers' lack of familiarity with the visa process to charge them exorbitant amounts for mediocre documents.

Consular Officers in Surabaya do not rely heavily on documentation and focus more on visa interviews in evaluating applicants' ability to overcome 214(b). When an applicant is suspected of being the client of a document vendor, adjudicating officers refer the cases to the Fraud Prevention Unit (FPU) for further investigation. When fraud is confirmed and/or follow-up investigative interviews are likely to yield additional information, the Fraud Prevention Manager refers the case for a secondary interview. Secondary investigative interviews generally involve the Regional Security Officer (RSO), the Fraud Prevention Manager, the Consular Fraud Prevention LES, and the RSO LES Investigator. Referrals often lead to arrests and/or raids of document vendor operations.

1B. NIV Fraud

CCD statistics show that Surabaya referred 130 cases to the FPU for further investigation during the September 2008 - February 2009 time period. Fraud was confirmed in 22 percent of cases that were referred to the FPU. Note: Post randomly selects a few C1/D cases each week to confirm previous employment. Post also uses the FPU function within the Non-Immigrant Visa (NIV) application to request verification of some documents, even in certain cases when fraud is not suspected. End Note.

Based on Post's fraud investigations, police arrested 15 persons either for using and/or selling fraudulent documents, or for involvement in attempted alien smuggling. Among those arrested were seven B1/B2 applicants, four C1/D applicants, and four

document vendors.

PPT - During the reporting period, no applicants applied using new passports with new identities.

A3/G5 - Post received no applications for A3/G5 visas during the reporting period.

B1/B2 - Among the 15 arrests during the reporting period, seven were applicants for B1/B2 visas. All were related to either document fraud, the use of fraudulent immigration stamps, or attempts to smuggle individuals into the US for apparent illegal employment. While it is likely that some applicants who were refused visas in accordance with Section 214(b) had fraudulent documents in their possession at the time of their interviews, adjudicating officers do not routinely ask applicants for unnecessary documents unless fraud is suspected. In cases when fraud is clearly suspected, however, adjudicating officers ask applicants to submit all documents they brought to their interviews for follow-up investigation.

C1/D - Post detected four cases (applicants applied together) of C1/D fraud involving fraudulent seaman's books and training certificates. The four applicants and the two document vendors who had provided the documents were arrested and prosecuted. Unlike Post's usual C1/D applicants, these applicants were not recruited by a recruitment company.

H1B - Most H1B applicants who apply in Surabaya received their university degrees in the United States. For H1B applicants who do not have U.S. university educations, Post verifies their education credentials. The same practice applies to applicants for L visas as well.

H2B - In 2007, all H2B visa adjudications in Indonesia were temporarily transferred to Jakarta. Surabaya began adjudicating H2B visas again on October 1, 2008. Post conducts site visits

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of local H2B agents as part of its fraud prevention program. Post also utilizes the same registration program for H2B agents that is used in Jakarta, similar to the registration process for C1/D agents.

F1 - Among the least qualified applicants for F1 visas interviewed at Post are those who are enrolled in short-term English language programs in the United States. In several cases, such applicants have indicated that distant relatives and/or friends whom they met on the internet would fund their educational programs.

J1 - Surabaya has seen a few recent cases of J1 employees hired to work in menial jobs that would normally be filled by H2B workers. Post also recently refused four J1 internship/trainee applicants who were recruited by APEX USA, a recruiter who recruited approximately 300 J1s from Bali and East Java in 2006. Post's recent J1 validation study which included only issuances to applicants recruited by APEX during 2006 revealed a non-return rate of 32 percent (Ref A). These four applicants were the first applicants recruited by APEX to apply in Surabaya since mid-2007.

M1 - No new M1 fraud cases during the reporting period.

R1 - No new R1 fraud cases during the reporting period.

1C. IV fraud.

Surabaya does not adjudicate Immigrant Visas.

1D. Diversity Visa (DV) fraud.

Surabaya does not adjudicate Diversity Visas, but has assisted with occasional DV investigations and DV visa outreach efforts.

1E. ACS and Passport Fraud.

Post did not identify any cases of ACS or passport fraud during the reporting period.

F. Adoption fraud.

Surabaya does not process adoptions.

G. Use of DNA testing

There are no special circumstances with regards to DNA testing in Indonesia and Post receives results in a timely manner. Post requests DNA testing for American citizenship cases when insufficient proof of parentage is provided.

H. Asylum/DHS benefit fraud.

Post was contacted by a representative of the Department of Homeland Security (DHS) in September 2008 about an Indonesian man who had adjusted status through marriage to an American Citizen. The DHS suspected that he had not divorced his wife in Indonesia and had submitted fraudulent divorce documents in support of his marriage and subsequent application to adjust status. Post confirmed with Civil Registry officials that the divorce certificate was fraudulent. Disturbingly, the Indonesian man in question was an employee of the National Visa Center in Portsmouth, New Hampshire, and had recently been terminated for allegedly removing visa records from the facility.

I. Alien smuggling, trafficking, organized crime, terrorist travel.

Post detected eleven cases of what appeared to be attempted alien smuggling during the reporting period. Five B1/B2 visa applicants, including three young ladies and two middle-aged ladies, applied without a clear understanding of where they were going or what they would be doing in the United States. The oldest lady among the applicants noted during the secondary interview that she did not know the other ladies, but suspected they were prostitutes. Based on the bank books of the applicants and statements made by the travel agent, the agent had deposited the equivalent of \$10,000 USD into each of the applicant's bank accounts. He had also driven them to the Consulate for their interviews, arranged for "someone" to pick them up at the airport when they reached Los Angeles, and waited for the applicants nearby the Consulate. Following a secondary interview with the RSO and FPM, Indonesian Police arrested the five applicants and the travel agent.

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In a second case, two male applicants for B1/B2 visas applied with the assistance of a retired Indonesian employee of Carnival Cruise Lines. The former Cruise Line employee, who had a valid B1/B2 visa, had arranged for the two men to spend time in California with his "friends." He claimed the two applicants were family members, but only one of the applicants knew any details about the former Cruise Line employee and neither could provide details about where he was going or what he would be doing in the United States. Based on the investigation, it was determined that the two men were likely going to work illegally in California. Post cancelled the valid visa of the former Cruise Line employee. Police arrested all three men and conducted additional interviews, but determined there was insufficient evidence to prosecute.

In a third case, four C1/D applicants applied with fraudulent seaman's books and training certificates. The applicants claimed employment that was confirmed to be non-existent. The applicants had been in contact with the document vendors for a significant period of time, with one having initially contacted the vendors three years before the visa application was submitted. That applicant indicated he had paid the vendors a total of 87 million Rupiah (approximately \$7200 USD) over the three year period to arrange his "application package." The

other applicants had paid less, but still significant fees to the document vendors. The four applicants and two document vendors were arrested and prosecuted. The document vendors, an Indonesian originally from Papua who owns a travel office in Malang, East Java, and an Indonesian from Surabaya, face the potential of several years imprisonment.

Note: The U.S. Department of Justice provided Trafficking in Persons (TIP) training to law enforcement officers within the Surabaya Criminal Investigative Division in October 2008 through its International Criminal Investigative Training Assistance Program (ICITAP). In March 2009, both the Consular Fraud Prevention Investigator and the RSO FSN Investigator, both of whom generally participate in secondary interviews of visa applicants who have submitted fraudulent documents and/or information, participated in ICITAP interview and interrogation techniques training at Embassy Jakarta. End Note.

J. DS criminal investigations.

The FPM and the RSO enjoy an excellent working relationship. The Consular Section has employed a Standard Operating Procedure for referral of suspected visa fraud cases to the Fraud Prevention Unit and, when necessary, to the RSO for follow-up investigation. The FPU leads Post's fraud prevention activities up to the point of secondary investigative interviews and police involvement, at which time the RSO takes the lead. Results of investigations as well as police and court actions are always shared and discussed.

During the past six months, FPU and RSO cooperation has led to 15 arrests by the Indonesian Police, primarily document vendors, attempted alien smugglers, and their clients. Note: Except in very rare cases, police generally hold applicants only a few hours or overnight for questioning and do not prosecute the applicants. Document vendors, on the other hand, are generally held for a longer period of time, with some being prosecuted.

K. Host country documents.

It is not difficult to obtain authentic documents containing fraudulent information. Breeder documents for passports are relatively easy to obtain through bribery.

Post has recently improved its relationship with the Surabaya civil registry personnel. Most civil registry records are paper and are not centralized, which creates time delays in obtaining verification.

The Indonesian passport has been re-designed several times in the past decade. For the current version, biodata is on page two and contains a machine-readable zone. The 2005 version has a glass-bead laminate over the biodata page that contains holograms of the letters 'RI' (for Republik Indonesia). The 2008 version has the same features, but uses a thinner laminate.

Under UV-light, page numbers (that match the page numbers visible with the naked eye) appear, as do the letters 'RI'. The UV-sensitive page numbers appear in a different position on each page. The thread in the centerfold between pages 24 and 25 is also UV-sensitive. Note: FPM recently met with Surabaya Immigration officials and toured their passport operation. According to the Director of Immigration in Surabaya, all new and repeat Indonesian passport applicants' fingerprints are

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checked against a central biometric database. End Note.

Indonesian residents over 18 are issued a national ID. The card is valid for 5 years (until age 60 when the card is valid for life). It lists the individual's name, place and date of birth, religion, blood type, citizenship, current address, ID number, photo, and signature and/or thumb print. Though deemed a national ID card, they are issued at the district level and an individual must obtain a new one if s/he changes his/her place of residence. The KTP card does not have any significant security features.

Indonesian households are issued a family household card. It is issued at the local level and varies considerably in format. It lists the family members in a household and each person's place and date of birth, religion, occupation and their parents' names) on A4-size paper or cardstock.

Indonesians usually obtain marriage certificates from the religious ceremony, which are used to obtain a civil marriage certificate. A marriage is not considered legally valid unless a certificate is issued by a civil registry office.

Indonesians commonly laminate their civil documents.

L. Host government authorities.

The Consulate has requested the assistance of local police on several occasions during the reporting period, each time receiving good cooperation.

M. Areas of particular concern / general remarks.

There are no areas of particular concern at this time. However, Post recently conducted a validation study of J1 visas issued in 2006 to applicants who were recruited by APEX USA (see Ref A). Post chose to review these specific issuances because: (1) there were known issues with past APEX-recruited applicants; and, (2) APEX had indicated plans to revive its recruitment of J1 trainees and interns as well as the possibility of beginning recruitment of H2B applicants. The J1 visa validation study demonstrated that applicants recruited by APEX and issued visas in 2006 had a non-return rate of 32 percent.

While the diplomatic community in Surabaya is quite small, Post's FPM and Consular Fraud Prevention LES met with Consular Section employees of the Japanese Consulate to discuss visa and document fraud issues in late 2008.

N. Staffing and training.

Consular Chief/FPM - has attended the ConGen course; Fraud Prevention for Consular Managers, Detecting Imposters; Detecting Fraudulent Documents; DHS Fraud Prevention Workshops; and a China-wide Fraud Prevention Conference.

LES Consular Fraud Investigator - has attended the Fraud Prevention Course for LES (PC-542); a Customs and Border Protection fraud prevention training session in Jakarta; and an ICITAP interview and interrogation techniques course in Jakarta.

Regional Security Officer (RSO) - Has not yet attended fraud prevention-related training.

RSO LES Investigator - recently attended ICITAP interview and interrogation techniques training in Jakarta.

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